

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

COLUMBIA, SOUTH CAROLINA
[Hearing Held in Gaffney, SC]

HEARING #10794**JULY 24, 2006****6:30 P.M.**

DOCKET NO. 2006-107-WS: UNITED UTILITY COMPANIES, INC. — Application for Approval of an Adjustment of Rates and Charges and Modifications to Certain Terms and Conditions for the Provision of Water and Sewer Service.

HEARING BEFORE: CHAIRMAN G. O'Neal HAMILTON, Presiding; VICE CHAIRMAN C. Robert MOSELEY and COMMISSIONERS John E. "Butch" HOWARD, David A. WRIGHT, Elizabeth B. Lib FLEMING, Mignon L. CLYBURN, and Randy MITCHELL.
Legal Advisor to Commissioners: Randall Dong.
Commission Technical Advisor: James B. Spearman, Ph.D.

STAFF: Jocelyn G. Boyd, Deputy Clerk; Phillip Riley, Advisory Staff; and MaryJane Cooper, Court Reporter.

APPEARANCES:

John M. S. Hoefer, Esq., representing UNITED UTILITY COMPANIES, INC., **Applicant.**
Shannon Bowyer Hudson, Esq., representing THE OFFICE OF REGULATORY STAFF.

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TRANSCRIPT OF TESTIMONY AND PROCEEDINGS
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1 CHAIRMAN HAMILTON: I believe it's 6:30. We will
2 call the public hearing to order. I would like to take this
3 opportunity to thank each of you for taking the time out
4 tonight to come out to see us. The Public Service Com-
5 mission, as you're aware, does come out when the Legislative
6 Delegation, as yours did, requested that we be here
7 tonight so you can express your concerns that you might
8 have without having to make a sacrifice to take a day out
9 to go to Columbia when we have the regular hearing. But,
10 we want to assure you tonight that we'll be here as long as
11 we need to, that each one of you will have a full opportunity
12 to express yourself to the Commission.

13 At this time, I'd like to introduce to you my fellow
14 Commissioners. On my far left is Commissioner Howard,
15 next to him is Commissioner Wright, this is Vice Chairman
16 Moseley. On the far right is Commissioner Fleming, Com-
17 missioner Clyburn, Commissioner Mitchell, and on my
18 immediate right is our staff attorney, Counselor Dong, and
19 I'm the Chairman of the Public Service Commission, O'Neal
20 Hamilton, and at this time I'll turn it over to the staff attorney
21 to advise you of the docket and of the other information
22 that he needs to let you know about.

23 RANDALL DONG: Good evening. My name is
24 Randall Dong. I'm a staff lawyer with the Public Service
25 Commission, and this is the public hearing for United

1 Utility Companies, Docket No. 2006-107-WS. This is the
2 Application of the Company for Adjustment of Rates and
3 Charges and Modification of Certain Terms and Conditions
4 for the Provision of Water and Sewer Service. This is your
5 opportunity to present testimony about United Utility and
6 the service they provide to you. I want to encourage you
7 to make your views known. Your testimony's important,
8 and it will be accorded the same respect in the same way
9 as though it were given in Columbia at the merits hearing.
10 You'll be placed under oath, as you would in court, and if
11 you'd like to incorporate or adopt testimony that's been
12 given before you by someone else, you can come to the
13 podium and you can elect to do that if you choose.

14 I want to introduce the Commission Staff that are
15 here. Jocelyn Boyd is here from the Commission; she's
16 the Deputy Clerk. Bill Richardson is here; he's our special
17 consultant on water matters. Mary Jane Cooper is here;
18 she's our Court Reporter. She's taking down everything
19 that's being said. Phil Riley is here; he's a Staff Engineer
20 with the Commission.

21 I'd also like to introduce the lawyers involved in this
22 case. Shannon Hudson from the Office of Regulatory
23 Staff, and John Hoefer for the Company. Now, if you have
24 any questions, you need to direct those questions either
25 to the Office of Regulatory Staff or to the Company and

1 not to the Commission. The Commission's here to hear
2 your testimony, and we're here to make sure and make a
3 record of your views for use in the hearing in Columbia.

4 With that said, I'll turn the floor back over to the
5 Chairman.

6 CHAIRMAN HAMILTON: Thank you, sir. Do we
7 have any preliminary matters that need to be heard?

8 JOHN M.S. HOEFER: Yes, Mr. Chairman, just one
9 matter. The Applicant would like to at this time state its
10 objection to testimony consisting of unsubstantiated com-
11 plaints regarding customer service, quality of service or
12 customer relations issues. The basis for this objection is
13 that the receipt and reliance upon such testimony would
14 deny the Applicant due process of law, permit complaint
15 procedures established under law and Commission
16 Regulations would be circumvented and is an inappropriate
17 basis for the determination of just and reasonable rates.
18 In support of this objection, the Applicant cites *Patton v.*
19 *PSC*, 312 S.E. 2nd 257, Order of the Court of Common
20 Pleas; and *Tega Cay Water Service v. PSC*, Civil Action No.
21 97-CP-40-0923, and Commission Order No. 1999-191,
22 Docket No. 96-137-WS.

23 The Applicant would request that this objection be
24 deemed a continuing objection such that there would not
25 be a need for repeated objections each time a customer